

HOUSE BILL 3463

By Armstrong

AN ACT to amend Tennessee Code Annotated, Title 13,
Chapter 20, relative to housing authorities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 13-20-104(a), is amended by adding the following as new, appropriately designated subdivisions:

() Enter into management contracts with other authorities outside the authority's territorial jurisdiction, which provide for the management of all or any part of the operations of an authority or all or any part of a housing project or a mixed-finance project of an authority; and

() Enter into agreements with municipalities under which the authority agrees to exercise any or all powers of an authority under this chapter relating to redevelopment or urban renewal projects for such municipality with respect to one or more redevelopment or urban renewal projects, including, but not limited to, holding public hearings, preparing redevelopment and urban renewal plans and managing redevelopment projects; provided, however, all debt related to such redevelopment projects must be issued by the housing authority for the jurisdiction subject to the agreement and the housing authority for the jurisdiction subject to the agreement must consent to such agreement by resolution. Any municipality may enter into an agreement described in this subsection.

SECTION 2. Tennessee Code Annotated, Section 13-20-104, is amended by adding a new subsection (g) as follows:

(g)

(1) If any two (2) authorities determine it to be in the best interest of each authority to merge, each such authority shall approve the merger by resolution. Any such resolution shall include the name of each authority involved in the merger, identify the surviving authority into which each authority plans to merge and the terms and conditions of the merger. Any such resolution shall be filed with each city or county that created each authority that is subject to the merger, and if the governing body of each such city or county approves such merger by resolution, the authorities may proceed with the merger. Upon the effective date of the merger:

(A) Every other authority that is a party to the merger shall merge into the surviving authority and the separate existence of every authority except the surviving authority shall cease;

(B) The title to all real estate and other property owned by each authority that is a party to the merger shall be vested in the surviving authority without reversion or impairment;

(C) The surviving authority shall be deemed to have assumed all liabilities and obligations of each authority that is a party to the merger;

(D) A proceeding pending against any corporation that is a party to the merger may be continued as if the merger did not occur or the surviving corporation may be substituted in the proceeding for the authority whose existence ceased; and

(E) The board of commissioners of the surviving entity shall remain unchanged.

(2) Upon the effective date any such merger, the boundaries of the authority shall be deemed to be the collective boundaries of the merged authorities.

(3) The surviving authority for purposes of this chapter shall continue to be considered a city, county or regional authority as was the case prior to the merger, and the appointment and composition of the board of commissioners of the surviving authority shall not change.

(4) The power to merge authorities under this subsection (g) is supplemental to all other powers granted under this chapter to consolidate authorities or to create regional authorities.

(5) A notice of any merger of authorities pursuant to this subsection shall be filed with the secretary of state.

SECTION 3. Tennessee Code Annotated, Section 13-20-104, is hereby amended by adding new subsection (h) as follows:

(h) If an authority determines it to be in its best interest to dissolve, the authority shall approve such dissolution by resolution. Such resolution shall include a statement providing for the distribution of assets upon the completion of dissolution of the authority. Upon adoption of such resolution, subject to any approval required by the charter or bylaws of the authority and upon the approval by resolution by the governing body of each municipality or county that created such authority, articles of dissolution and termination setting forth the name of the authority, the date of its incorporation and a statement that the authority has approved the dissolution of the authority and the date on which such approval was given shall be delivered to the secretary of state. Upon filing the articles of dissolution with the secretary of state, the corporate existence of the authority

shall terminate except for the purpose of conducting activities to wind up and liquidate its affairs, including collecting its assets, conveying and disposing of its properties that will not be distributed in kind, discharging or making provisions for discharging its liabilities, and returning, transferring or conveying assets held by the authority upon a condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, in accordance with such condition, transferring, subject to any contractual or legal requirements, its assets as provided or authorized by its charter or bylaws.

SECTION 4. If any provision of this act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions of the act or the application thereof which can be upheld without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 5. This act shall take effect upon becoming law, the public welfare requiring it.